

News Release



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U. S. Labor Secretary Elaine L. Chao Announces Stronger Retirement, Health Benefit Security for American Workers

121% Increase in Monetary Results Shows "Commitment to Protect Hard-Earned Benefits"

WASHINGTON— U.S. Labor Secretary Elaine L. Chao today announced that the Employee Benefits Security Administration achieved a record-breaking 121% increase in enforcement results that protected \$3.1 billion in retirement, health and other benefits for American workers and their families in fiscal year 2004.

"Our record-breaking success in protecting worker benefits demonstrates this administration's commitment to vigorously enforce the law on behalf of American workers and their families," said Secretary Elaine L. Chao. "Our effort to protect retirement and health benefits is a victory for workers and will yield positive results for their families for decades to come."

EBSA closed 4,399 civil investigations in FY 2004. Nearly 70% of those investigations resulted in correction of violations under the Employee Retirement Income Security Act (ERISA). Criminal investigations led to the indictment of 121 individuals. In addition, EBSA received a record 474 applications to participate in its compliance assistance program to help employers and plan officials to voluntarily correct specific violations of the law.

Assistant Secretary of Labor for Employee Benefits Security Ann Combs said, "Over the course of the Bush Administration, EBSA's commitment to protection of health and retirement security has resulted in positive results for millions of American workers, retirees and their families. In the last four years, we have achieved record results each year, totaling \$6.1 billion and 479 criminal indictments. This year's dramatic statistics are the result of our continued tough enforcement program and a comprehensive program of compliance assistance activities. In this way, we work to help plan sponsors voluntarily comply with the law, while targeting the agency's resources at the worst offenders."

EBSA's compliance assistance programs dramatically expanded during FY 2004. The Voluntary Fiduciary Correction Program (VFCP) saw a more than 98% increase in usage over last year. In fiscal year 2004, employers, plan officials, service providers and other fiduciaries used the program to protect workers' benefits by self-correcting violations of ERISA and voluntarily restoring more than \$264.6 million to employee benefit plans. The Delinquent Filer Voluntary Compliance Program (DFVC) received 13,808 filings, a 19% increase over fiscal year 2003.

Combs encouraged the business community to make maximum use of compliance assistance programs designed to help them avoid enforcement actions. A fact sheet on enforcement results and the VFCP is available on EBSA's Web site at www.dol.gov/ebsa.

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